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January 27, 1999

Via Facsimile Only

Mr. Bradley P. Pollock
Bell & Pollock
26 W. Dry Creek Circle
Littleton, CO 80120

Re: U.S. Patent Application Serial No. 09/105,406
Titled: STORED VALUE TRANSACTION SYSTEM INCLUDING AN
INTEGRATED DATABASE SERVER
Filed: June 26, 1998

Dear Mr. Pollock:

We understand that you represent Robert Berry and Mari Belczynski. Our law firm represents American Express in connection with patent related matters. As you are aware, we prepared and filed the captioned Patent Application in the United States Patent Office listing Robert Berry, Michael Blandina, and Mari Belczynski as joint inventors. We are now required to submit to the U.S. Patent Office inventor Declarations and Assignment documents executed by the three inventors.

It has come to our attention that your clients may have some hesitancy about signing the Declaration and/or Assignment documents. The purpose of this letter is to advise you that American Express takes this matter very seriously and that we have been authorized to take appropriate steps to ensure that all of American Express' rights in this Application are protected.

As a starting point, your clients' contributions to this technology was first conceived by them while they were full-time employees of American Express. Moreover, your clients' participation in the development of this technology was directly related to the scope of their employment with American Express. Accordingly, your clients have a legal duty to execute these documents arising out of their employment relationship with American Express. This legal duty exists regardless of whether it was specifically addressed in any written employment agreement and, indeed, regardless of whether they even had a written employment agreement with American Express. Moreover, we have worked extensively with Michael Blandina in ensuring the thoroughness and accuracy of the Patent Application and Michael Blandina has already executed the Declaration; hence, we are quite

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confident that the Application fairly and accurately sets forth the invention. Therefore, any objection or substantial changes your clients might wish to raise as to the substance of the Patent Application will be viewed skeptically.

Your clients should also be advised that in the event we do not have their full cooperation in this matter, we will nonetheless proceed with prosecuting this Patent Application in accordance with §37 C.F.R. 1.47, which allows the owner of the Application to conduct prosecution by filing a Rule 47 Petition when an inventor refuses to execute a Declaration, or by any other available procedure. In view of your clients' legal obligation to cooperate with us, however, they should understand that any attempt by them to delay or otherwise impede the timely filing of the Declaration and Assignment will be met with the firmest response. In this regard, we are prepared to proceed against your clients to recover costs associated with preparing and filing the aforementioned Rule 47 Petition, and to seek reimbursement from your clients for all other costs and fees (including attorneys fees) which may be occasioned by your clients' actions should they elect not to cooperate fully with us.

Notwithstanding the foregoing, American Express, although under no obligation to do so, is willing to pay each of your clients for their time of up to four (4) hours (at rates accepted in the industry) for review of the amendments. After your clients' review of the amendments to the Patent Application, if they have any questions or concerns, I urge you to contact me with any patent questions, or otherwise contact Judith Rinearson (in-house counsel for American Express: (212) 640-5743), because I must obtain a fax of your clients' signed Declaration and Assignment in my office by **this Friday, January 29, 1998**, so that I may file the documents with the U.S. Patent Office before the final due date of January 30, 1999.

I look forward to hearing from you shortly.

Sincerely,

SNELL & WILMER L.L.P.

Howard I. Sobelman

cc: Judith Rinearson
Robert Miller
Michael K. Kelly
Brett Carlson